



Environmental Services Division
Energy and Waste Management Bureau

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OILPRICES CLIMB AGAIN, GASOLINE ALONG FOR THE RIDE

DES MOINES — After briefly dropping below \$2.00 per gallon before Memorial Day, gasoline prices resumed their march upward. On June 15, the average price for a gallon of self-serve, regular unleaded gasoline in Iowa was \$2.06. This was \$0.03 higher than last month, and \$0.20 higher than this time last year (\$1.86 per gallon). Prices were tugged higher by an increased demand for gasoline and rising crude oil prices.

The average price for regular unleaded gasoline blended with ethanol was \$2.00 per gallon. The latest data shows that ethanol-blended gasoline represented 72 percent of all retail gasoline sold in April. All auto manufacturers warrant the E10 blend of 10 percent alcohol and 90 percent gasoline for use.

Diesel prices rose as well, with the average price of self-serve diesel on June 15 at \$2.27, up \$0.10 from last month, and \$0.55 higher than this time last year (\$1.72 per gallon). Diesel prices rose on increasing crude oil prices as well as concerns about potential supply shortfalls at the end of the year.

“With market traders already looking at possible diesel supply problems later this fall, the only sure bet is that diesel and gasoline prices will continue to be volatile,” said Jennifer Moehlmann, energy data analyst for the DNR. “Demand for gasoline at this time of year has risen 13 percent since 2000, while production has only increased by 7 percent. That tightening of the domestic supply and demand balance is creating volatility and driving prices.”

Crude oil prices have surged past \$50 per barrel again. Crude oil closed at \$55.57 on Wednesday, June 15, \$6.96 higher than one month ago and 49 percent higher than last year (\$37.33). Prices have risen because the market is looking past summer towards possible shortage of heating oil in the coming fall and winter months.

To help consumers improve fuel efficiency, the Iowa DNR has placed tips and information on fuel savings and alternative fuels on its Web site at www.iowadnr.com. Tips include driving more efficiently, keeping vehicles tuned up and planning and combining trips. Consumers can also choose ethanol at the pump, purchase E85 for flexible fuel vehicles and choose biodiesel blends for diesel vehicles.

The DNR’s June 15 fuel price survey reported the average retail price of No. 2 heating oil was \$1.93 per gallon, \$0.13 higher than last month and 46 percent above last year’s price at this time (\$1.32 per gallon).

According to the survey, the average retail price of propane was \$1.24 per gallon, the same as the previous month and 20 percent above the retail price of propane at this time last year (\$1.03 per gallon).

On June 15, natural gas was trading at \$7.33/MMBtu, \$0.88 higher than last month and 15 percent above the price of natural gas at this time last year (\$6.36/MMBtu).

Although warmer weather has arrived, consumers shouldn't forget about high heating prices. Next year's prices are likely to be higher than this year, so consumers should take advantage of the spring and summer to make improvements to their homes' efficiency in anticipation of those increased heating costs. Tips for saving energy and money at home and on the road are available at www.EnergySavingTips.gov.

MOTOR FUELS SURVEY STATE AVERAGES

Self-Serve	May 15	June 15	Change
Regular Unleaded	2.03	2.06	+0.03
Regular Unleaded with Ethanol	1.98	2.00	+0.02
Premium Unleaded	2.10	2.12	+0.02
Diesel	2.17	2.27	+0.10

Source: Oil Price Information Service, www.opisnet.com

AVERAGE SELF-SERVE UNLEADED PRICES IN MAJOR CITIES

	May 15	June 15	Change
Ames	2.01	2.06	+0.05
Cedar Rapids	2.00	2.09	+0.09
Council Bluffs	1.95	2.00	+0.05
Davenport	2.04	2.07	+0.03
Des Moines	2.02	2.07	+0.05
Dubuque	2.01	2.06	+0.05
Fort Dodge	1.98	2.05	+0.07
Iowa City	2.01	2.06	+0.05
Sioux City	2.06	2.03	-0.03
Waterloo	2.00	2.04	+0.04
Webster City	2.10	2.10	N/C
Average Metro Price	2.03	2.06	+0.03

Source: Oil Price Information Service, www.opisnet.com

WHOLESALE PRICES IN METROPOLITAN AREAS IN IOWA

Unleaded Gasoline	May 5	June 9	Change
Des Moines	1.61	1.55	-0.06
Dubuque	1.61	1.56	-0.05
Diesel Fuel	May 5	June 9	Change
Des Moines	1.59	1.70	+0.11
Dubuque	1.60	1.71	+0.11

Source: Oil Price Information Service, www.opisnet.com

HEATING FUELS SURVEY

	May 16	June 15	Change
Natural Gas	6.45	7.33	+0.88
Propane	1.24	1.24	N/C
#2 Heating Oil	1.80	1.93	+0.13

Sources: Wall Street Journal, Iowa Department of Natural Resources